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**UNITED STATES BANKRUPTCY COURT**  
**EASTERN DISTRICT OF CALIFORNIA**

In re:

SALMA H. AGHA,  
 Debtor.

Case No. 10-16183-A-7

Chapter 7

DC No. [none identified in moving documents]

**DECLARATION OF LISA  
 HOLDER IN SUPPORT OF  
 CHAPTER 7 TRUSTEE JEFFREY  
 VETTER'S OPPOSITION TO  
 DEBTOR'S MOTION TO  
 DISQUALIFY KLEIN, DENATALE,  
 GOLDNER**

Date: February 5, 2015  
 Time: 9:00 a.m.  
 Place: U.S. Bankruptcy Court  
 1300 18<sup>th</sup> Street, Ste. A  
 Bakersfield, California  
 Judge: Hon. W. Richard Lee

I, LISA HOLDER, declare as follows:

1. I am a licensed California attorney and partner with the law firm Klein, DeNatale, Goldner, Cooper, Rosenlieb & Kimball, LLP ("Klein, DeNatale"). I practice in the area of bankruptcy and represent bankruptcy trustees including Jeffrey Vetter. From my work on this bankruptcy case, starting in September 2012, I have personal knowledge of the following:

2. In September 2012, Mr. Vetter contacted me to see if Klein, DeNatale would represent him in his capacity as Chapter 7 Trustee for the estate of Salma H. Agha.

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1           3. Before applying to the bankruptcy court for employment, Klein, DeNatale prepared  
2 a conflict-of-interest report based on an internal database search for the name, "Salma H.  
3 Agha." Debtor identified "Salma H. Agha," as the only name used by Debtor over the past  
4 eight years in the first page of her May 30, 2010, bankruptcy petition. The name, "Salma H.  
5 Agha," did not turn up during the database search. Klein, DeNatale did not identify Debtor as a  
6 former client in the conflict-of-interest report.

7           4. On November 8, 2012, Trustee filed an application to employ Klein, DeNatale as  
8 Trustee's counsel, *nunc pro tunc* to September 13, 2012 (Doc. 72). In my supporting  
9 declaration to the application (Doc. 73), I declared that Klein, DeNatale was a disinterested  
10 person as defined in 11 U.S.C. § 101(14). A true and correct conformed copy of my  
11 declaration is submitted as Exhibit "A," which I incorporate herein by reference and confirm as  
12 accurate. At the time of my November 2012 declaration, I was ignorant of Klein, DeNatale's  
13 prior representation of Debtor, who was known during the prior representation as "Salma  
14 Khan."

15           5. Klein, DeNatale's conflict-of-interest report identified prior representation of  
16 Citibank, one of Debtor's creditors. Klein, DeNatale's representation of Citibank was  
17 unrelated to the Debtor. Per our conflict-of-interest report, Klein, DeNatale represented  
18 Citibank in 1988 in a lawsuit against an entity named Dareco. Klein, DeNatale disclosed its  
19 relationship with Citibank in the application for employment. (Doc. 73, Exhibit "A.")

20           6. The court approved Mr. Vetter's employment of Klein, DeNatale on November 21,  
21 2012 (Doc. 77.)

22           7. In December 2012, Debtor's bankruptcy counsel, William Cumming, through  
23 Mr. Vetter, informed me Debtor was a former Klein, DeNatale client. As described in the  
24 *Supplemental Declaration of Lisa Holder Regarding Order Authorizing Trustee to Employ*  
25 *Attorneys Effective September 13, 2012* (filed January 2, 2013; Doc. 97; "Supplemental  
26 Declaration"), I ran another search in Klein, DeNatale's conflict system; this time under the  
27 name "Salma Khan." This second search returned a result indicating that Klein, DeNatale  
28 represented "Salma Khan" in 2003-2004 in construction defect litigation. Debtor had sued the

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1 builder of her then-personal residence and Klein, DeNatale represented her in that lawsuit. The  
2 representation ended in or about May 2005. A true and correct copy of my Supplemental  
3 Declaration is submitted as Exhibit "B," which I incorporate herein and confirm as accurate.

4 8. With the submission of my Supplemental Declaration, I set a hearing on 21-  
5 days' notice on Klein DeNatale's continued employment (Doc. 96). The Notice provided, "No  
6 party in interest is required to file written opposition to the continued employment of the  
7 Trustee's attorneys. Opposition, if any, to the continued employment of the Trustee's attorneys  
8 may be presented at the hearing pursuant to Local Rule 9014(f)(2)(C)."

9 9. On January 23, 2013, I attended the hearing on the Trustee's continued  
10 employment of Klein, DeNatale. After taking appearances of counsel and parties, including  
11 William Cumming on behalf of the Debtor, the Court called the matter and said, "With respect  
12 to the motion to employ Klein DeNatale, the tentative is to grant. Did anyone wish to speak in  
13 opposition? I am hearing nothing. The tentative will be the ruling, and the motion will be  
14 granted." A true and correct copy of the reporter's transcript from the January 23, 2013 hearing,  
15 with excerpts regarding the employment issue underlined (at 5:15-20), is submitted as Exhibit  
16 "C."

17 10. Thereafter, the Court filed its Civil Minutes documenting the Court's ruling:

18 The court treats this as a motion under Rule 60(b) and grants the  
19 motion to reconsider the issue of Klein DeNatale's employment. But  
20 having considered the Supplement Declaration of Lisa Holder, January 2,  
21 2013, ECF No. 97, the court approves the employment of Klein DeNatale.  
22 The firms prior representation of debtor Salma Agha, concluding in 2005,  
23 does not present grounds for disqualification. 11 U.S.C. § 327(a), 101(14).  
24 (Doc. 109).

25 A true and correct conformed copy of the Civil Minutes is submitted as Exhibit "D."

26 11. For the same reasons expressed in my "Supplemental Declaration," I continue to  
27 believe Klein, DeNatale is disinterested.  
28

1           12. Klein, DeNatale's representation of Citibank in the late '80s has no relationship  
2 to Debtor's 2010 bankruptcy proceeding or the adversary proceedings Debtor filed against  
3 Citibank in 2013 (AP No. 13-01086) and 2014 (AP No. 14-01155). Mr. Vetter is not a party to  
4 the 2013 adversary proceeding, wherein Debtor/Plaintiff alleges Citibank violated the  
5 automatic stay. While the Trustee is named in Debtor/Plaintiff's 2014 adversary proceeding,  
6 that proceeding alleges the Trustee engaged in some type of wrongdoing following and/or in  
7 connection with the 2012 reopening of Debtor's bankruptcy proceeding. It has nothing to do  
8 Klein, DeNatale's representation of Citibank in the litigation against Dareco over 20 years ago.

9           I declare under penalty of perjury under the laws of the United States of America that  
10 the foregoing is true and correct. This declaration is executed on January 21, 2015 in  
11 Bakersfield, California.

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13 LISA HOLDER  
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